

m/047/013

ZIEGLER CHEMICAL & MINERAL CORP.

LITTLE BONANZA OPERATIONS

STAR ROUTE, VERNAL, UTAH 84078

Telephone: (435) 789-3593 Fax: (435) 789-3595

July 6, 2004

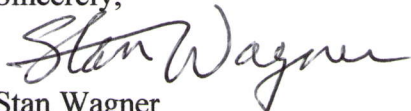
Mr. James F. Kohler
Chief, Solid Minerals Branch
U.S. Department of the Interior
Bureau of Land Management
P.O. Box 45155
Salt Lake City, Utah 84145-0155

RE: REPLY: NOTICE OF NON-COMPLIANCE, FEDERAL LEASE UTU-0122693

Dear Mr. Kohler,

Ziegler Chemical & Mineral Corporation has endeavored to come into compliance with the Mining Plan for UTU-0122693. We have removed the corrugated metal, barrels, light charging station, hoses, foam rubber, and the associated trash.

Sincerely,



Stan Wagner
Mine Superintendent

SJW

cc: Gordon Ziegler Jr., President, Ziegler Chemical & Mineral Corp.
Gayle McKeachnie, Esq., McKeachnie, Allred, McClellan & Trotter, P.C.
D. Wayne Hedberg, DOGM, Permit Supervisor, State of Utah
Stan Perks, B.L.M., Mining Engineer, Salt Lake City Office
Pete Sokolosky, B.L.M., Solid Minerals Geologist, Vernal Utah Office

RECEIVED

JUL 08 2004

DIV. OF OIL, GAS & MINING